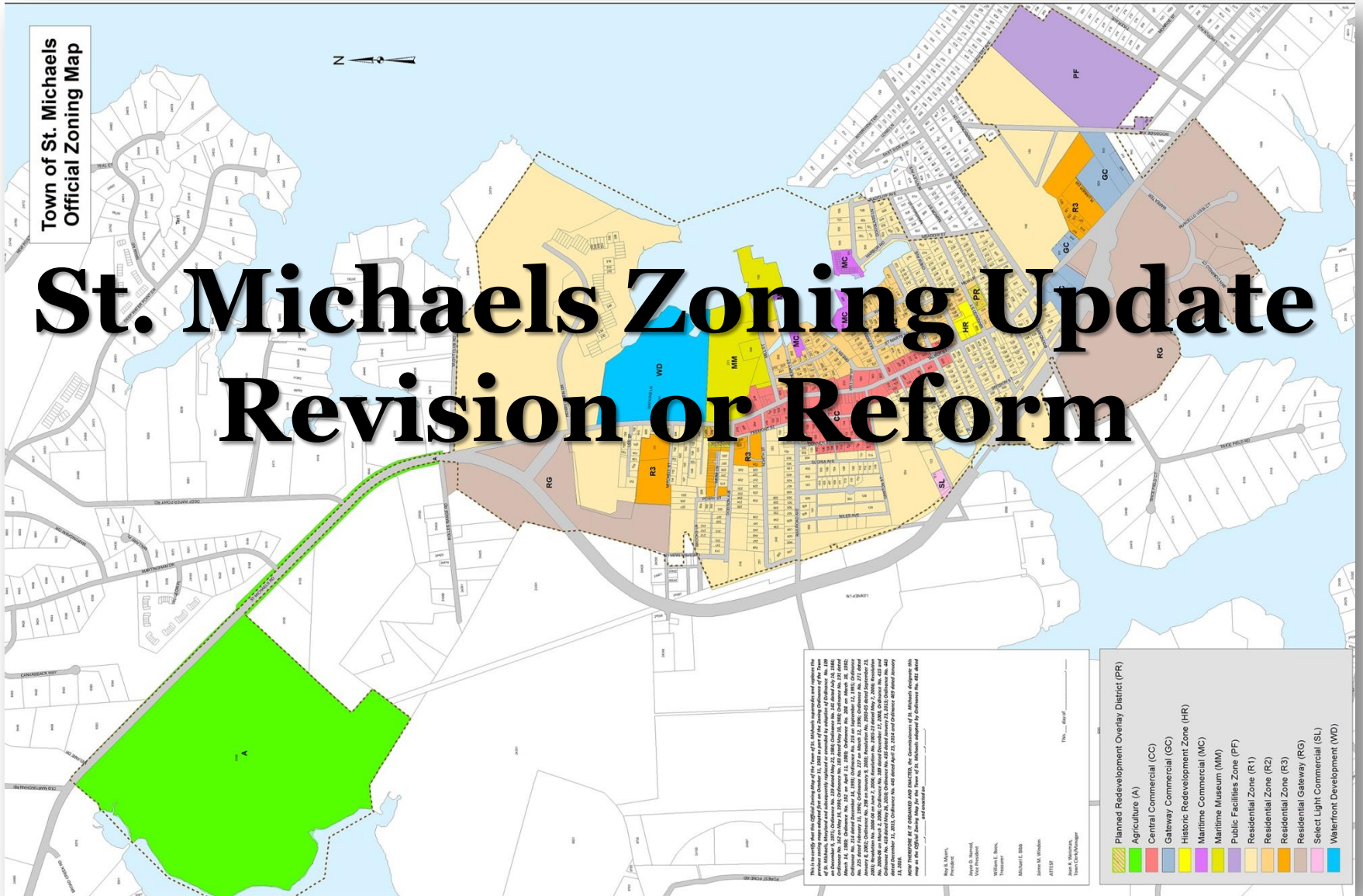


St. Michaels Zoning Update Revision or Reform



Land-Use Regulation: What's It Worth Anyway?

**Urban Institute Moderated Policy
Debate July 2017**

Urban Institute Moderated Policy Debate - Issues

- **Vanessa Brown Calder, Policy Analyst, Cato Institute.** “land use restrictions resulted in an 8.9% decline in aggregate economic output and a 50% decline in aggregate US economic growth over a span of 45 years. The authors argue that this decline is a result of the spatial misallocation of labor associated with land use restrictions.”
- **Dana Berliner, Senior Vice President & Litigation Director, Institute for Justice.** “One major cost of zoning is the suppression of entrepreneurship, harm to small businesses, and general reduction of income and increase of costs for people, with those who are not wealthy finding these costs to be most burdensome.”
- **Emily Talen, Professor of Urbanism, University of Chicago.** “...zoning as it now stands needs substantial change. Zoning has disfigured the American landscape and exacerbated social inequality.”

Urban Institute Moderated Policy Debate - Issues

- **Robert Dietz, Chief Economist, National Association of Home Builders.** “In a period in which housing production continues to be constrained by supply-side bottlenecks, the economic costs of zoning (among other burdens) effectively represent a tax on new construction. Limited housing inventory, in turn, increases the cost of renting and home buying.”
- **Tony Arnold Boehl, Chair in Property and Land Use, University of Louisville.** “..when the dominant forces in communities seek to be more inclusive and address affordable housing needs, local officials use inclusionary methods of zoning and regulating land use, while private developers seek to build a broad array of housing options and local residents signal their demand for diverse or mixed-type development.

Urban Institute Moderated Policy Debate - Reform

- **Tony Arnold Boehl, Chair in Property and Land Use, University of Louisville.** “The functional adaptability of zoning and land use regulations offers tremendous opportunities for improving how we regulate land use, especially as public and private values may be shifting to support reforms.”
- **Emily Talen, Professor of Urbanism, University of Chicago.** “Although we have lost sight of it, zoning can help to achieve noble aspirations when it comes to city-building.”
- **Dana Berliner Senior Vice President & Litigation Director, Institute for Justice.** “Zoning law needs to be drastically simplified, if not eliminated. Address at most actual dangers to public health. Creating an environment of certainty, predictability, and greater freedom would do wonders for entrepreneurship, job creation, and small businesses throughout the country.”

Urban Institute Moderated Policy Debate - Reforms

- Expedited approval processes for development plans that facilitate affordable for-sale and rental housing.
- Eliminate virtually all restrictions on home-based businesses, retaining only those that address noise, odors, night-time deliveries, and things like that.
- Increase the number of activities permitted as of right in all zones.
- Change the rules so that businesses that are grandfathered in may make appropriate modifications and renovations without losing their grandfathered status.
- Remove restrictions on short-term rentals.
- Remove restrictions on garage apartments or using garages for small businesses.

Urban Institute Moderated Policy Debate - Reforms

- Reducing parking regulations.
- Make it easier for local officials to approve individual projects that are consistent with a city or a neighborhood.
- Address directly the legacy of racial, ethnic, and class segregation and structural inequalities of our land-use practices and laws.
- Greater use of performance standards.
- Inclusionary zoning plans.
- “Facilitate voluntary transactions between communities and would-be developers and reduce the importance of home values in most residents' financial portfolios.” **Zoning Rules!: The Economics of Land Use Regulations, William A. Fischel**

Interviews – Revisions

- Increase opportunities for people employed here to live here
- Address vagaries and holes in ordinance in certain zones
- Simplify and update definitions
- Organize code to make more user friendly
- Review yard and density standards
- Evaluate signage for fairness, effectiveness and content neutrality
- Evaluate limiting effect of building height limits
- Update references to appropriate State law

Interviews – Reforms

- Create flexibility to keep code aligned with trends
- Decrease the time required to get approvals
- Increase the supply of affordable housing, accessory dwelling units, entry level housing, employee housing
- Expand permitted uses and allow temporary uses, e.g., food trucks, mobile dog grooming, windshield chip repair
- Add flexible parking standards
- Simplify Growth Allocation process
- Employ alternative forms of flexible zoning actions, e.g., adaptive reuse, floating zones, special exceptions

Interviews – Reforms

- Expand acceptable home occupations
- Allow mixed use buildings, e.g. food service and micro-breweries, first floor retail, upper floors residential or office
- Increase lodging capacity and related services, e.g., vacation rentals, Bed and Breakfasts
- Increase economic diversity and year-around employment through industry diversification, training programs and affordable housing
- Facilitate context appropriate infill and redevelopment through incentives, flexibility and streamlined review and approval processes

Potential Reforms

Current Process Permitted Uses List

	ZONING DISTRICT			
	CC	CG	HZR	SLC
RETAIL				
Antique furniture restoration*				P
Antique shops	P	P	P	
Bakery	P	P	P	
Candy, nut, or confection store	P	P	P	
Convenience, drug stores	P	P		
Jewelry sales and repair	P	P	P	
Photography studio	P	P	P	
Retail sales of goods not listed elsewhere in this table	P	P	P	

Use must be in the list of permitted uses? Interpretation: Board of Appeals?

Alternative Permitted Uses Categories

CATEGORY COMMERCIAL - The commercial use category includes uses that provide a business service or involve the selling, leasing or renting of merchandise to the general public. The commercial use subcategories are as follows:

Subcategory retail sales - Uses involving the sale, lease or rental of new or used goods to the ultimate consumer within an enclosed structure, unless otherwise specified.

- Subcategory convenience goods
- Subcategory consumer shopping goods
- Subcategory building supplies and equipment

Permitted Uses - Categories

§ * Table of Permitted Uses	ZONING DISTRICT					
Use Description	WD	CC	CG	HZR	MC	MM
AGRICULTURE						
RESIDENTIAL						
PUBLIC, CIVIC AND INSTITUTIONAL						
COMMERCIAL		P	P		P	
- Retail Sales		P	P		P	
- Convenience goods		P	P			
- Consumer shopping goods			P			
- Building supplies and equipment						
WHOLESALE, DISTRIBUTION & STORAGE USE CATEGORY						
INDUSTRIAL USE CATEGORY						
ACCESSORY USES						
OTHER USES						

What category or subcategory fits the propose use? Interpretation: Zoning Official or Planning Commission

Lot Size and Density

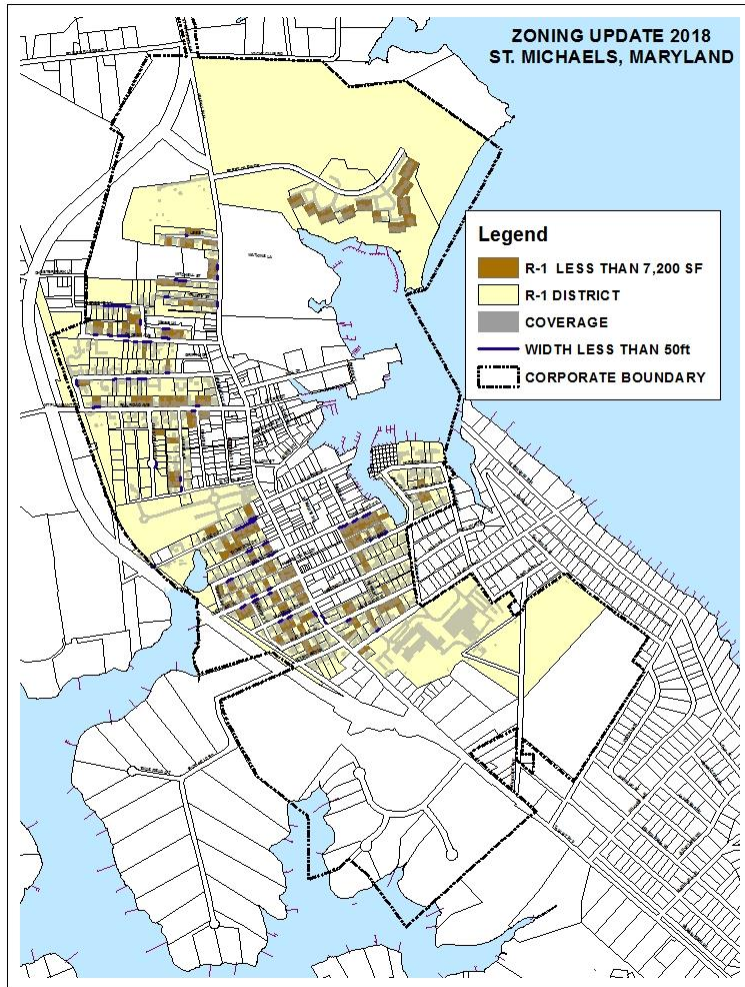
R-1:

- 44 percent of the lots are less than 7,200 square feet
- 203 parcels with lot area less than 7,200 square feet averaged approximately 5,300 square feet
- Approximately 18 percent of all R-1 parcels have a lot width less than 50 feet wide

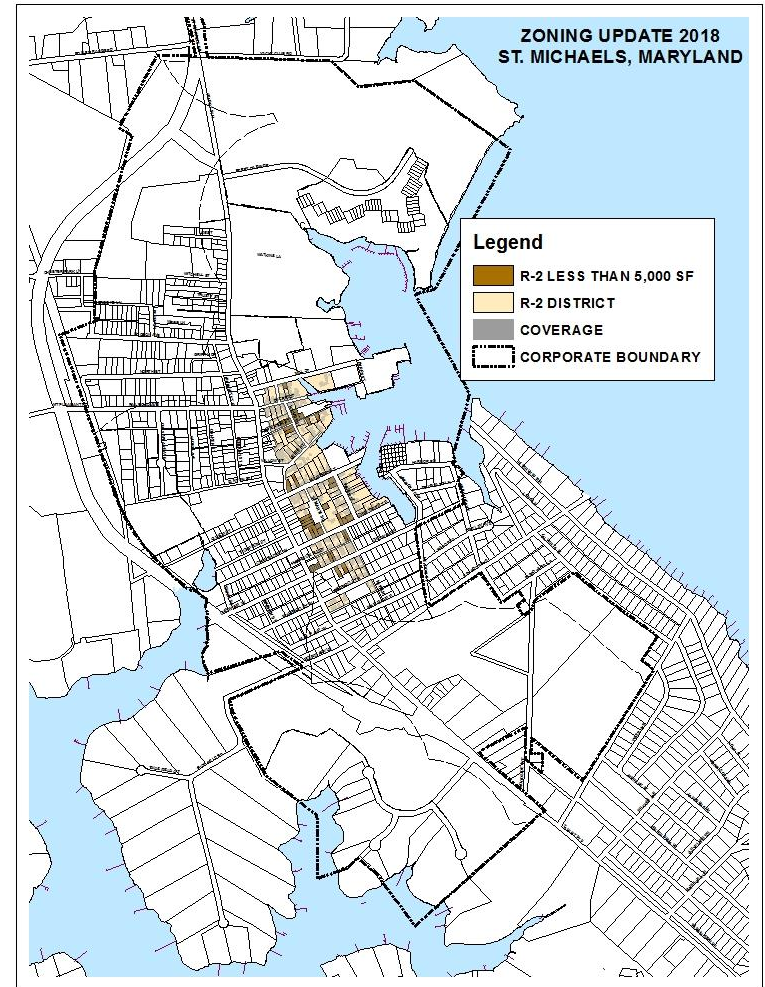
R-2:

- 43 percent of lots are less than 5,000 square feet
- 42 percent of lots are less than 6,000 square feet

Lot Size and Density

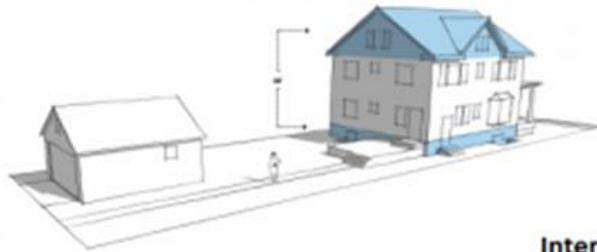


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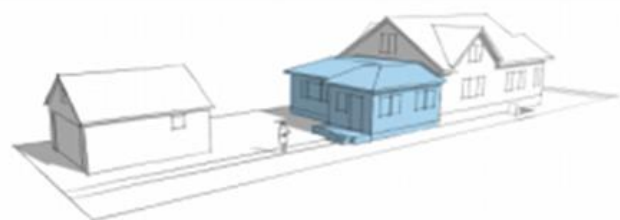
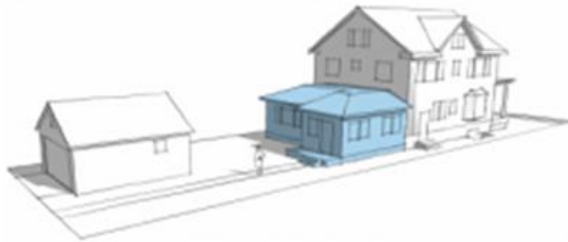


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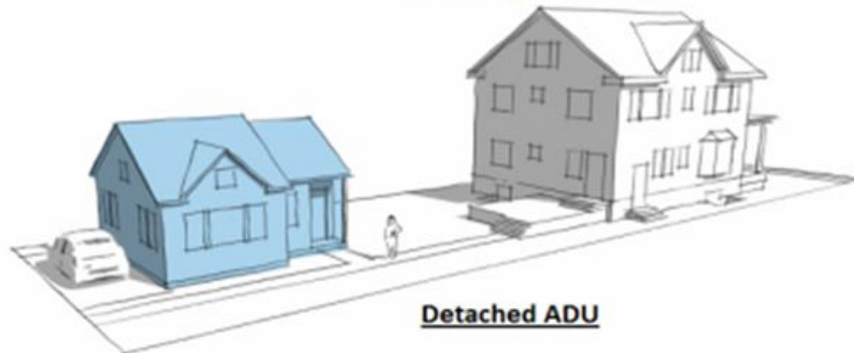
Accessory Dwelling Units ADUs



Interior Attached ADUs



Attached ADU (via Addition)



Detached ADU

Initial Interview Results

TOPIC: ACCESSORY DWELLING UNITS			
Scope of Use	Responses		
	Yes	No	Undecided
Located in residential areas	6	0	2
Limited to family member	6	0	2
Allow caregiver	6	0	2
Allow Long term rental	6	0	2
Used for short term rental	2	4	2
Require principle dwelling be owner occupied	4	0	4

- Most favored allowing ADUs
- Most favored occupancy that included family members, caregivers and long term renters (more than 4 months in a year)
- More opposed allowing short term renter use (less than 3 months in a year)
- Requiring the principle dwelling to be owner occupied was somewhat supported
 - will require additional input

Next Steps: Community Survey

- Complete draft zoning survey
- Test with focus group
- Finalize survey form
- Publish survey form (Survey Monkey)
- Make survey location available on Town webpage
- Hand out at community and stakeholder meetings – completed on site or on line
- Evaluate survey results

Survey Topics

- General satisfaction with zoning requirements and standards
- Number and types of uses allowed on a residential property
- Number and types of uses allowed on a commercial property
- Accessory dwelling units
- Employee Housing
- Minimum height, coverage, lot area and density standards